

(b) *Sizes.* On and after August 1, 1996, any handler may use processed olives in the production of limited-use styles of canned ripe olives if such olives were harvested after August 1, 1996, and meet the following requirements:

(1) The processed olives shall be identified and kept separate and apart from any olives harvested before August 1, 1996.

(2) Variety Group 1 olives, except the Ascolano, Barouni, or St. Agostino varieties, shall be of a size which individually weigh at least  $\frac{1}{105}$  pound: *Provided*, That no more than 35 percent of the olives in any lot or subplot may be smaller than  $\frac{1}{105}$  pound.

(3) Variety Group 1 olives of the Ascolano, Barouni, or St. Agostino varieties shall be of a size which individually weigh at least  $\frac{1}{180}$  pound: *Provided*, That no more than 35 percent of the olives in any lot or subplot may be smaller than  $\frac{1}{180}$  pound.

(4) Variety Group 2 olives, except the Obliza variety, shall be of a size which individually weigh at least  $\frac{1}{205}$  pound: *Provided*, That not to exceed 35 percent of the olives in any lot or subplot may be smaller than  $\frac{1}{205}$  pound.

(5) Variety Group 2 olives of the Obliza variety shall be of a size which individually weigh at least  $\frac{1}{180}$  pound: *Provided*, That not to exceed 35 percent of the olives in any lot or subplot may be smaller than  $\frac{1}{180}$  pound.

[61 FR 40510, Aug. 5, 1996, as amended at 62 FR 1244, Jan. 9, 1997]

#### § 932.154 Handler transfer.

(a) Except as hereinafter provided in paragraph (b) of this section, Form COC-6 "Report of Interhandler Transfer" shall be completed by the transferring handler for all lots of processed, but not packaged, olives transferred to another handler within the area and for all lots and sublots of natural condition olives transferred to another handler within the area or shipped to destinations outside the area except fresh market outlets. For natural condition and processed, but not packaged, olives transferred between handlers within the area, two completed copies of said form, signed by the transferring handler, shall accompany the lot or subplot to the receiving handler who shall certify on both copies as to re-

ceipt of the olives and forward one copy to the committee within 10 days following receipt of the olives. For natural condition olives transferred by a handler to a destination outside the area, except fresh market outlets, two copies of said form shall be completed by the transferring handler with the words *Outside the Area* included in the upper right corner of the form and one copy shall be returned to the committee within 10 days following transfer of the olives. The completed form shall contain at least the following information: (1) Name and address of both the transferor and transferee; (2) date of transfer; (3) condition (natural, processed but not packaged); (4) weight, number and size of each type of container; (5) variety; and (6) other identification (undersize olives, culls, style, etc.).

(b) Undersize or cull olives that are transferred from one handler to another and for which the transferring handler desires credit toward satisfaction of his obligation under § 932.51(a)(2) need only be accompanied by two copies of Form COC-5, report of limited and undersize and cull olives inspection and disposition: *Provided*, That such transfers are carried out under the supervision of the Inspection Service.

(c) No handler may ship any lot or subplot of natural condition olives to a destination outside the area, except fresh market outlets, unless such olives have first been size-graded and meet the disposition and holding requirements applicable under paragraphs (a) (2) and (4) of § 932.51. The size of such transferred olives shall be verified, prior to transfer, by certification issued to the transferring handler by the appropriate inspection service (Federal or Federal-State Inspection Service or the Processed Products Branch, USDA).

[31 FR 12636, Sept. 27, 1966, as amended at 36 FR 24795, Dec. 23, 1971; 49 FR 34440, Aug. 31, 1984; 49 FR 44448, Nov. 7, 1984]

#### § 932.155 Special purpose shipments.

(a) The disposition of packaged olives covered by § 932.152(d) which are not reprocessed, and new packaged olive products covered under paragraph (b) of this section which have not been disposed of by the end of the test market

period, shall be handled in conformity with the applicable provisions of this paragraph.

(1) Under the supervision of the Inspection Service, such packaged olives may be disposed of for use in the production of olive oil or dumped.

(2) Such packaged olives may be disposed of to a charitable organization for use by such organization, provided the following conditions are met:

(i) Any handler who wishes to so dispose of olives shall first file a written application with, and obtain written approval thereof, from the committee. Each such application shall contain at least:

(A) The name and address of the handler and the charitable organization;

(B) The physical location of the charitable organization's facilities;

(C) The quantity, in cases, the variety, size, can size, and can code of the packaged olives; and

(D) A certification from the charitable organization that such olives will be used by the organization and will not be sold.

(ii) Prior to approval, the committee shall perform such verification of the accuracy of the information on the application as it deems necessary. The committee may deny any application if it finds that the required information is incomplete or incorrect, or has reason to believe that the intended receiver is not a charitable organization, or that the handler or the organization has disposed of packaged olives contrary to a previously approved application. The committee shall notify the applicant and the organization in writing of its approval, or denial, of the application. Any such approval shall continue in effect so long as the packaged olives covered thereby are disposed of consistent with this section. The committee shall notify the handler and the organization of each such termination of approval. The handler shall furnish the committee, upon demand, such evidence of disposition of the packaged olives covered by an approved application as may be satisfactory to the committee.

(b) In accordance with the provisions of § 932.55(b), packaged olives to be used in marketing development projects may be handled without regard to

§ 932.149 provided the following conditions are met. Such olives must be identified to the satisfaction of the Inspection Service and kept separate from other packaged olives. The handler shall submit to the committee for its approval "COC Form 155" at least 10 working days prior to the shipment of such packaged olives to test markets, and report progress or changes to the committee, as requested. The applicant handler shall provide the following information on COC Form 155:

(1) The quantity of olives to be utilized (limited to not more than five percent of the handler's crop year acquisitions);

(2) Specific market outlet;

(3) Flavorings or other ingredients added to the olives;

(4) Style of olives used;

(5) Type of olives used, either black or green ripe;

(6) Container sizes;

(7) Varieties used, whether Ascolano, Barouni, Manzanillo, Mission, Sevillano, etc.;

(8) Sizes of olives utilized;

(9) Approximate dates when the new product will be packaged;

(10) Name and address of requesting handler;

(11) Place of inspection;

(12) Certification that all assessment and reporting requirements in effect under the marketing order will be met prior to shipment;

(13) Certification that all such fruit will be kept separate from other packaged olives and will be so identified by control cards or other means acceptable to the Inspection Service;

(14) Purpose and nature of the request, whether for test marketing, evaluation, market research, etc.; and

(15) An estimate of the amount of time required to complete the test. The committee shall promptly approve or deny the application, and may add limitations to any such approval. Upon approval, the applicant handler shall notify the Inspection Service. Packaged olives so identified and remaining unused at the end of the approved test-market period shall be disposed of according to paragraph (a) of this section.

(c) In accordance with the provisions of § 932.55(b), any handler may use processed olives in the production of packaged olives for repackaging, and ship packaged olives for repackaging, if the packaged olives meet the minimum quality requirements, except for the requirement that the packaged olives possess a reasonably good flavor: *Provided*, That the failure to possess a reasonably good flavor is due only to excessive sodium chloride.

[33 FR 15632, Oct. 23, 1968, as amended at 39 FR 38221, Oct. 30, 1974; 62 FR 1244, Jan. 9, 1997; 65 FR 4575, Jan. 31, 2000]

#### § 932.159 Reallocation of handler membership.

Pursuant to § 932.25, handler representation on the Committee is reallocated to provide that the two handlers who handled the largest and second largest total volume of olives during the crop year in which nominations are made and in the preceding crop year shall each be represented by four members and four alternate members.

[65 FR 62994, Oct. 20, 2000]

#### § 932.161 Reports.

(a) *Reports of olives received.* Each handler shall submit to the committee, on a form provided by the committee, for each week (Sunday through Saturday, or such other 7-day period for which the handler has submitted a request and received approval from the committee) and not later than the fourth day after the close of such week, a report showing by size designation and culls the respective quantities of each variety of olives received. In addition thereto, he shall also report the seasonal totals to date of the report.

(b) *Sales reports.* (1) Each handler shall submit to the committee, on COC Form 21 as provided by the committee, for each month and not later than the 15th day following the end of that month, a report showing the handler's total sales of packaged olives to commercial outlets in the United States, to governmental agencies, and to foreign countries. Such sales shall be reported in the following categories:

(i) Whole and whole pitted styles of canned ripe olives in consumer size containers;

(ii) Whole and whole pitted styles of canned ripe olives in institutional size containers;

(iii) Chopped style of canned ripe olives in all types of containers; and

(iv) Halved, segmented (wedged), and sliced styles of canned ripe olives in all types of containers.

The quantity in each category shall be reported in terms of the equivalent number of cases of 24 No. 300 (300×407) size cans.

(2) Each handler shall submit to the committee, on a form provided by the committee, for each month and not more than 15 days after the end of such month, a report showing the total quantity of packaged olives of the ripe and green ripe types sold during the month. Such reports shall include the following information, as applicable:

(i) With respect to the whole, pitted, and broken pitted styles of packaged olives of the ripe or green ripe type, each style shall be reported separately on COC Form 29a in terms of the quantity of each size of olives as designated on the form. Such quantity, or quantities, shall be reported in terms of the total amount packaged in each of the container sizes listed on said form except that the committee may require such reporting in terms of the equivalent number of cases of 24 No. 300 (300×407) size cans. Each handler shall report separately the total monthly sales of packaged olives of the green ripe type.

(ii) Limited use styles of packaged olives of the ripe or green ripe type shall be reported in terms of the quantity of each style packaged in each of the container sizes listed on COC Form 29b except that the committee may require such reporting in terms of the equivalent number of cases of 24 No. 300 (300×407) size cans.

(c) *Report of handler's utilization of limited size olives.* Each handler shall submit to the committee, on a form provided by the committee, upon completion of the handler's canning season, but not later than August 1st of each crop year, a report showing the quantities of limited canning size olives used in (1) halved; (2) segmented (wedged); (3) sliced; (4) chopped; (5) acidified; (6) Spanish olives; (7) Sicilian style olives; (8) Greek style olives; (9)